

By: Ellis

S.B. No. 645

A BILL TO BE ENTITLED

AN ACT

relating to a study of residential foreclosures in certain counties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 343, Finance Code, is amended by adding Section 343.105 to read as follows:

Sec. 343.105. STUDY REGARDING RESIDENTIAL FORECLOSURES.

(a) The University of Houston shall conduct a study to examine mortgage foreclosure rates in the Houston-Sugar Land-Baytown Metropolitan Statistical Area, as defined by the United States Office of Management and Budget, and shall establish an advisory committee to direct the focus of the study. The advisory committee shall be composed of:

(1) the executive director of the Texas Department of Housing and Community Affairs or the director's representative;

(2) the savings and mortgage lending commissioner or the commissioner's representative;

(3) four members appointed by the executive director of the Texas Department of Housing and Community Affairs who represent community and consumer interests including a representative of the Houston Association of Realtors;

(4) four members appointed by the savings and mortgage lending commissioner who represent the mortgage lending industry;  
and

1           (5) the president of the University of Houston.

2           (b) The president of the University of Houston serves as  
3 chair of the advisory committee.

4           (c) The advisory committee established under Subsection (a)  
5 shall address in the study the causes of foreclosures in the  
6 metropolitan statistical area from the perspective of the borrower,  
7 lender, mortgage originator, mortgage services provider, housing  
8 developer, secondary market representative, industry oversight  
9 agency, federal and state prosecutor, and consumer advocate.

10           (d) The advisory committee shall determine the methodology  
11 to be used in conducting the study. The study must be based on  
12 original research at the level of the individual borrower,  
13 including personal interviews with borrowers.

14           (e) All findings of the advisory committee must be approved  
15 by a majority of the members of the advisory committee.

16           (f) Except as provided by other law, private, confidential,  
17 and privileged information obtained for the production of any  
18 public reports is the property of the parties to the mortgage and is  
19 not subject to the disclosure provisions of Chapter 552, Government  
20 Code.

21           (g) The University of Houston shall report to the governor,  
22 the lieutenant governor, and the speaker of the house of  
23 representatives on the study and its results not later than  
24 September 1, 2008.

25           (h) This section expires February 1, 2009.

26           SECTION 2. This Act takes effect only if a specific  
27 appropriation for the implementation of this Act is provided in

1 H.B. No. 1 (General Appropriations Act), Acts of the 80th  
2 Legislature, Regular Session, 2007. If no specific appropriation  
3 is provided in the General Appropriations Act, this Act has no  
4 effect.

5 SECTION 3. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2007.